

NEW APPLICATION



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ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

RECEIVED
DOCKET CONTROL Arizona Corporation Commission

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IN THE MATTER OF THE VERIFIED
APPLICATION OF SPRINT
COMMUNICATIONS L.P. ON BEHALF
OF ITSELF AND ITS ARIZONA
OPERATING AFFILIATES (INCLUDING
VIRGIN MOBILE, USA, L.P.), AND ON
BEHALF OF SOFTBANK CORP. AND
STARBURST II, INC., FOR A LIMITED
WAIVER OF THE COMMISSION'S
AFFILIATED INTERESTS RULES
PURSUANT TO A.A.C. R14-2-806 OR,
ALTERNATIVELY, THE NOTICE OF
INTENT PURSUANT TO A.A.C. R14-2-
803.

Docket Nos.: T-02432B-12-0474
T-20827A-12-0474

VERIFIED WAIVER APPLICATION
/ NOTICE OF INTENT

Pursuant to A.A.C. R14-2-801, *et seq.* (the "Affiliated Interests Rules"), Sprint Communications Company L.P. ("Sprint Communications")¹ on behalf of itself, and its Arizona operating affiliates including Virgin Mobile USA, L.P. ("Virgin Mobile") (Sprint Communications and its Arizona operating affiliates described below will be referred to herein collectively as the "Arizona Operating Affiliates"), and on behalf of SOFTBANK CORP. ("SoftBank"), and Starburst II, Inc. ("Starburst II"), seeks a Limited Waiver or, alternatively, submits this Notice of Intent in relation to a transaction under which Starburst II will become the direct parent of Sprint Nextel Corporation ("Sprint") and indirect parent of Sprint Communications and the other Arizona Operating Affiliates, and by which SoftBank will, through its newly formed affiliate Starburst II, invest \$20.1

¹ Sprint Communications is a wholly-owned indirect subsidiary of Sprint Nextel Corporation ("Sprint").

1 billion in Sprint and indirectly acquire approximately 70 percent of the shares of Sprint.
2 This transaction is at the parent holding company level only. Accordingly, the Arizona
3 Operating Affiliates will not be directly affected by the transaction described herein and
4 will continue to be indirect wholly-owned subsidiaries of Sprint.

5 Pursuant to A.A.C. R14-2-806, the limited waiver should be granted because the
6 acquisition will benefit Arizona telecommunications customers, conserve the parties' and
7 Commission resources and presents no risks for, nor impacts on the Arizona Operating
8 Affiliates. Alternatively, the parties seek the Commission's expedited review and
9 approval of the acquisition without hearing within 60 days pursuant to A.A.C. R14-2-
10 803.B.

11 **I. DESCRIPTION OF THE APPLICANTS**

12 **A. Sprint**

13 Sprint Communications is a Delaware limited partnership with a principal business
14 office at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint Communications is
15 authorized to provide telecommunications services in Arizona, pursuant to Decision Nos.
16 54480, 55074, 56214, 59584 and 60236.² Sprint Communications is an indirect wholly-
17 owned subsidiary of Sprint.

18 Sprint Communications' Arizona operating affiliates include Sprint Spectrum,
19 L.P., Nextel West Corp. and Virgin Mobile, each of which is licensed by the Federal
20 Communications Commission ("FCC") to provide wireless telecommunications service in
21 Arizona. Virgin Mobile has filed an application with the Commission for designation as
22 a wireless eligible telecommunications carrier, Docket No. T-20827A-11-0461, which
23 application is pending. Sprint Spectrum, L.P., Nextel West Corp. and Virgin Mobile are
24

25 ² Various Sprint subsidiaries also hold Federal Communications Commission ("FCC") licenses and
26 authorizations. The Applicants have filed the appropriate applications with the FCC for approval of the indirect
transfer of those licenses and authorizations.

1 indirect wholly owned subsidiaries of Sprint.

2 Sprint is a publicly traded Kansas corporation with a principal business office at
3 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint has no majority owner,
4 although two institutional investors hold a greater than 10 percent ownership interest in
5 Sprint.³ Sprint is a global communications company that, through its subsidiaries,⁴ offers
6 a comprehensive range of wireless and wireline voice and data products and services
7 designed to meet the needs of residential consumers, businesses, government subscribers,
8 and resellers throughout the country and around the globe. Sprint offers wireless and
9 wireline voice and data services in Arizona and throughout the United States. In addition,
10 Sprint also is one of the country's largest carriers of Internet traffic and provides Internet
11 connectivity in Arizona.

12 The Applicants do not contemplate changes in the services that are being provided
13 pursuant to Sprint Communication's Arizona State authorizations and the transaction will
14 be transparent to Sprint Communication's customers in Arizona. The services subject to
15 this application will continue to be provided in Arizona by Sprint Communications and
16 the other Arizona Operating Affiliates. Sprint Communications will continue to have the
17 technical, and financial qualifications needed to provide excellent service to Arizona
18 customers. As a result of the transaction, Sprint Communications' parent will be a
19 stronger more effective competitor.

20 ///

21 ///

22 _____
23 ³ Recent Schedule 13-G filings with the Securities and Exchange Commission ("SEC") demonstrate that: (1)
24 Capital Research Global Investors, a U.S. investment advisor company, is the beneficial owner of approximately
25 10.7 percent of Sprint's common stock; and (2) Dodge & Cox, a U.S. investment advisor company, is the beneficial
owner on behalf of itself and its clients of 10.3 percent of Sprint's common stock. *See* Capital Research Global
Investors, Schedule 13-G (April 9, 2012); Dodge & Cox, Schedule 13-G (June 7, 2012).

26 ⁴ Sprint is primarily a holding company. Most of Sprint's operations are conducted by its subsidiaries,
including, but not limited to, Sprint Communications.

1 **B. Starburst II and SoftBank**

2 Starburst II is a newly-formed Delaware corporation that will hold all shares of
3 Sprint at closing. Starburst II will be renamed Sprint Corporation. Starburst II's principal
4 offices are located at 38 Glen Avenue, Newton, Massachusetts 02459. At this time,
5 Starburst II does not provide telecommunications services or hold any
6 telecommunications licenses. As discussed below, upon consummation of the proposed
7 transaction, approximately 70 percent of Starburst II's common stock will be held,
8 through a holding company, by SoftBank.

9 SoftBank is a publicly-traded holding company, organized and existing under the
10 laws of Japan and headquartered in Tokyo, at 1-9-1 Higashi-Shimbashi, Minato-ku,
11 Tokyo 105-7303 Japan.⁵ SoftBank's founder and Chief Executive Officer, Mr.
12 Masayoshi Son, a citizen of Japan, holds 22.49 percent of SoftBank's issued and
13 outstanding shares.⁶ No other individual or entity holds 10 percent or more of SoftBank's
14 equity. SoftBank has been listed on the Tokyo Stock Exchange since 1998.⁷

15 SoftBank's wholly owned subsidiary, SOFTBANK MOBILE Corp. ("SoftBank
16 Mobile") is currently the third largest wireless carrier in Japan, with approximately 30.5
17 million subscribers, giving it approximately 22 percent of the Japanese wireless market as
18

19 ⁵ SoftBank's annual reports can be found at [http://www.softbank.co.jp/en/irinfo/](http://www.softbank.co.jp/en/irinfo/library/annual_reports/)
20 library/annual_reports/. SoftBank's consolidated financial statements reflecting information through September 30,
21 2012, can be found at [http://www.softbank.co.jp/en/](http://www.softbank.co.jp/en/irinfo/library/financial_report/)
22 irinfo/library/financial_report/.

23 ⁶ Mr. Masayoshi Son's 22.49 percent interest includes both the 21.09 percent of SoftBank shares that he
24 owns directly and an additional 1.40 percent that he owns indirectly.

25 ⁷ Based on SoftBank's most recent share register, no single person or entity other than Mr. Son currently
26 owns more than 10 percent of SoftBank's shares. A recent public securities filing in Japan analogous to the Form
13D of the U.S. Securities and Exchange Commission, however, indicates that each of four entities affiliated with
The Capital Group Companies, Inc. ("Capital Group") beneficially own interests in SoftBank that are below 10
percent but that aggregate to 10.04 percent of SoftBank's stock. Capital Group is an investment management
company headquartered in Los Angeles, California. The above-described informational filing states that these
Capital Group affiliates hold SoftBank stock as follows: Capital Research and Management Company (8.34
percent); Capital Guardian Trust Company (1.39 percent); Capital International Limited (0.16 percent); and Capital
International Inc. (0.14 percent).

1 of September 30, 2012. SoftBank Mobile generated wireless revenues of nearly \$27.6
2 billion in fiscal year 2011, which ended on March 31, 2012.

3 SoftBank also provides wireline broadband and telecommunications services in
4 Japan through two wholly owned subsidiaries, SOFTBANK BB Corp. ("SoftBank BB")
5 and SOFTBANK TELECOM Corp. ("SoftBank Telecom"). SoftBank BB provides
6 residential wireline broadband service to approximately 4.3 million customers in Japan,
7 and SoftBank Telecom provides enterprise-level wireline voice and data services to
8 approximately 1.7 million subscribers in Japan.

9 SoftBank holds no authorizations from the Commission and has no customers in
10 the state of Arizona. SoftBank's sole telecommunications interest in the United States is
11 JAPAN TELECOM AMERICA, INC ("JTA"), which is a wholly owned subsidiary of
12 SoftBank Telecom. Although JTA holds an international Section 214 authorization from
13 the FCC, JTA provides only limited private line services to its sole customer, SoftBank
14 Telecom, and has no U.S. customers.

15 Starburst II and SoftBank are managerially, technically, and financially well-
16 qualified. As noted above, SoftBank and its subsidiaries have extensive experience in the
17 telecommunications business and have made significant inroads into the Japanese
18 wireless and wireline markets by offering superior services and value to customers.

19 **II. DESIGNATED CONTACTS**

20 Questions, correspondence, orders and other communications concerning this
21 Application should be directed to the following:

22 ///

23 ///

24 ///

25 ///

26

For Sprint Communications and Sprint:

Scott Wakefield
Ridenour, Hienton & Lewis, P.L.L.C.
201 N. Central Ave., Suite 3300
Phoenix, Arizona 85004
(602) 254-9900
swakefield@rhlfirm.com

For Starburst II and SoftBank:

Ronald D. Fisher
Steven Murray
Starburst II, Inc.
38 Glen Avenue
Newton, Massachusetts 02459
(617) 928-9300
Ron_Fisher@softbank.com
Steve_Murray@softbank.com

With a copy to:

Stephen Kukta
Senior Counsel
Sprint Nextel Regulatory Affairs
Sprint Nextel Corporation
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(415) 572-8358
stephen.h.kukta@sprint.com

With a copy to:

Michael Pryor
J.G. Harrington
DOW LOHNES PLLC
1200 New Hampshire Ave., NW
Suite 800
Washington, D.C. 20036
(202) 776-2000
MPryor@dowlohn.com
JHarrington@dowlohn.com

III. DESCRIPTION OF THE TRANSACTION

On October 15, 2012, Sprint and SoftBank announced that they had entered into agreements that will result in SoftBank investing over \$20 billion in Sprint and acquiring an approximately 70 percent indirect interest in Sprint, with the remaining interest held by existing Sprint shareholders.⁸ Under the terms of the agreements, SoftBank formed a U.S. holding company, Starburst I, Inc. ("Starburst I") which is wholly owned by SoftBank. Starburst I formed another new subsidiary, Starburst II, which directly owns a third subsidiary, Starburst III, Inc. ("Merger Sub"). As part of the transaction, Sprint will merge with Merger Sub, with Sprint being the surviving entity. Diagrams depicting the

⁸ These agreements are available at:
<http://investors.sprint.com/Cache/14731551.pdf?O=3&IID=4057219&OSID=9&FID=14731551>.

1 pre- and post-transaction corporate organization structures are appended hereto as Exhibit
2 A.

3 As part of the transaction, Sprint shareholders will receive an aggregate of
4 approximately \$12.1 billion from SoftBank via its subsidiaries in exchange for
5 approximately 1.7 billion shares of Sprint stock.⁹ Sprint shareholders will have the right
6 to elect to exchange each of their existing shares of Sprint for (1) \$7.30 in cash or (2) one
7 share of Starburst II stock.¹⁰ In addition, SoftBank, via its subsidiaries, will contribute an
8 aggregate of \$8 billion to Sprint's balance sheet in conjunction with this transaction; these
9 funds are unrestricted and Sprint will have the flexibility to use this capital infusion to
10 strengthen its balance sheet and invest in both its wireless and wireline networks.¹¹

11 After the transaction is consummated, Sprint will be a wholly-owned subsidiary of
12 Starburst II, with SoftBank, through Starburst I, owning slightly less than 70 percent of
13 the shares of Starburst II and existing Sprint shareholders owning the remaining shares of
14 Starburst II.¹² Starburst II will own 100 percent of the stock of Sprint and its
15
16

17 ⁹ SoftBank also will receive a five year warrant to purchase approximately 55 million shares of Starburst II
(representing slightly less than 1 percent of Starburst II's common stock) with an exercise price of \$5.25 per share.

18 ¹⁰ The elections by Sprint shareholders are subject to proration if shareholders in the aggregate elect more
than the total amount of cash or stock consideration, which would result in the receipt of a mix of cash and stock.
19 The proration is to ensure that approximately \$12.1 billion in cash is paid in the merger to Sprint shareholders and
only approximately 30.1 percent of Starburst II's common stock. Holders of Sprint stock options and other
20 employee incentive awards will receive options and similar awards in Starburst II.

21 ¹¹ SoftBank, via Starburst I, will contribute approximately \$4.9 billion to Starburst II in exchange for
approximately 926 million shares of newly issued stock in addition to the approximately \$12.1 billion to be paid in
the merger to Sprint shareholders. SoftBank already has invested \$3.1 billion in Sprint, in the form of a newly-
22 issued convertible bond. See Press Release, Sprint Nextel Corp., Sprint Announces Closing of \$3.1 Billion
Convertible Bond (Oct. 22, 2012) available at [http://newsroom.sprint.com/article_display.cfm?article_id=2436&](http://newsroom.sprint.com/article_display.cfm?article_id=2436&view_id=3856)
23 [view_id=3856](http://newsroom.sprint.com/article_display.cfm?article_id=2436&view_id=3856) (reporting that Sprint announced the closing of a convertible bond sale to Starburst II, pursuant to
which Starburst II agreed to purchase from Sprint a bond in the principal amount of \$3.1 billion). Subject to all
24 applicable regulatory approvals and subject to the provisions of the bond purchase agreement, the bond is
convertible into an aggregate of 590,476,190 shares of Sprint common stock. If not earlier converted, principal and
any accrued but unpaid interest under the bond will be due and payable on October 15, 2019. See *id.*

25 ¹² Under terms of the Agreement and Plan of Merger, Starburst I will hold 69.642 percent of Starburst II's
common stock, and Sprint's current shareholders will hold the remaining 30.358 percent of Starburst II's common
26 stock. Upon exercise of the warrant, see *supra* n.8, SoftBank would own approximately 70 percent of Starburst II.

1 subsidiaries.¹³

2 This change in ultimate control does not involve a transfer of operating authority,
3 assets, or customers in Arizona or elsewhere. Sprint and its subsidiaries, including Sprint
4 Communications and Virgin Mobile, will continue to hold all of the authorizations that
5 they hold prior to the transaction. The current customers of Sprint Communications and
6 the Arizona Operating Affiliates will remain customers of Sprint Communications and
7 the Arizona Operating Affiliates following the proposed transaction. Sprint's current
8 Chief Executive Officer ("CEO"), Daniel Hesse, will be the CEO of Starburst II, which
9 will be renamed Sprint Corporation.¹⁴ Accordingly, the proposed transaction will be
10 seamless to customers. Any future changes to the rates, terms, and conditions of service
11 will be undertaken pursuant to the customers' contracts and applicable law.

12 The parties intend to consummate the transaction as promptly as possible after the
13 necessary FCC and other federal and state regulatory approvals have been received,
14 Sprint's shareholders have approved the transaction, and other preconditions have been
15 met.

16 **IV. ARIZONA EFFECTS**

17 There will be no change in the assets or ownership of the Arizona Operating
18 Affiliates as a result of the Transaction. It will be transparent and seamless for the current
19 and future customers of the Arizona Operating Affiliates. Any future changes to the
20 rates, terms, and conditions of service of the Arizona Operating Affiliates will be
21 undertaken pursuant to the customers' contracts and applicable law. The Transaction also
22 will not negatively impact their ability to raise, or the cost of, necessary capital. The
23

24
25 ¹³ As a result of the transaction, SoftBank, through Starburst I, will hold an indirect ownership interest in
approximately 70 percent of the stock of Starburst II, giving SoftBank indirect control over Sprint.

26 ¹⁴ Six of Starburst II's ten directors will be designated by SoftBank at the time the merger becomes effective.
The remaining four directors will consist of the CEO and three other current directors of Sprint.

Transaction will have no effect on the Commission's current regulatory authority over the Arizona Operating Affiliates.

V. PUBLIC INTEREST CONSIDERATIONS

Applicants respectfully submit that the indirect transfer of control described herein will serve the public interest. Because neither Starburst II nor SoftBank have attributable interests in any U.S. wireless carriers or compete with Sprint wireline telecommunications services, the proposed transaction poses no risk of competitive harm. To the contrary, the transaction will greatly stimulate competition and innovation, and offers the potential to transform the telecommunications marketplace in Arizona and throughout the United States by creating a more vibrant national rival to compete with today's two predominant providers, Verizon and AT&T.

The proposed SoftBank/Sprint transaction will make Sprint a more effective competitor to Verizon and AT&T, in part by providing Sprint the financial resources needed to accelerate and expand its broadband deployment in Arizona and other parts of the country. The transaction is designed to enable Sprint to take advantage of an \$8 billion capital infusion, scale efficiencies, and SoftBank's expertise and resources as a leading mobile Internet company to provide better, more innovative broadband services to consumers throughout the United States. Sprint's wireline operations will benefit from the improved balance sheet that will result from the capital infusion from SoftBank. This stronger financial foundation will allow Sprint to increase its network investment, accelerate its broadband deployment, and improve its coverage. The greater financial resources also can be used by Sprint to offer a wider range of devices and services to Arizona consumers.¹⁵ Arizona consumers should benefit from faster download speeds

¹⁵ After the transaction, SoftBank's wireless holdings in Japan and the U.S. will serve nearly 92 million subscribers. This increased scale will enable the new Sprint to reduce equipment and handset costs through higher volume purchases. SoftBank will also provide Sprint with the scale to be a more attractive partner for handset manufacturers and application developers, stimulating innovation that will greatly benefit Arizona consumers. In

1 and technology and service innovation. The resulting greater competition and innovation
2 can, in turn, stimulate economic growth and promote job creation.

3 **VI. R14-2-806 WAIVER INFORMATION**

4 A.A.C. R14-2-806 authorizes the Commission to waive compliance with the
5 Affiliated Interests Rules upon a finding that such a waiver is in the public interest. In
6 addition to the above public interest considerations, waiver of the Affiliated Interests
7 Rules is in the public interest for several additional reasons. First, the primary reason for
8 adoption of the Affiliated Interests Rules by the Commission was to prevent ill-advised
9 diversification efforts by monopoly utilities into non-utility endeavors—a concern which
10 simply does not apply here. The Arizona Operating Affiliates function in a highly
11 competitive telecommunications market.¹⁶ Second, the operations and direct ownership of
12 the Arizona Operating Affiliates and the regulation by this Commission of those
13 competitive subsidiaries are unaffected by the Transaction. Further, there also is no risk
14 that the Transaction would result in unduly high or above-market prices for the regulated
15 services, which could be used to subsidize unregulated, affiliated interests. As noted, the
16 Arizona Operating Affiliates function in a very competitive market; unduly high or
17 above-market prices will simply direct customers to other providers. Finally, the grant of
18 this waiver will conserve the Commission, Staff and the parties' time and resources.

19 For these reasons, waiver of the Affiliated Interests Rules is appropriate and
20 should be granted. Pursuant to R14-2-806.C, if the Commission fails to take action on
21
22

23 addition, with SoftBank's expertise and resources, Sprint can develop a range of new on-demand content,
24 programming, and services for U.S. consumers.

25 ¹⁶ The Commission has granted numerous waivers of the Affiliated Interests Rules to telecommunications
26 providers, in recognition that the competitive market in which they operate effectively provides a natural safeguard
against the harms the Affiliate Interest Rules were meant to protect against. See, e.g., Decision No. 73245 (June 26,
2012), Decision No. 62582 (May 17, 2000), Decision No. 62702 (June 30, 2000), and Decision No. 62616 (June 9,
2000).

1 this Application, waiver shall become effective upon the 31st day following the date of
2 this filing.

3 **VII. R14-2-803 INFORMATION**

4 In the alternative, and without waiver of the parties' request pursuant to Rule 806,
5 the following information is supplied in support of the Notice of Intent in compliance
6 with R14-2-803.A.1-11:

7 a. Names and Addresses of Proposed Officers and Directors: Attached as
8 Exhibit B is information concerning Starburst II's and SoftBank's directors and officers.
9 Starburst's business address is 38 Glen Avenue, Newton, Massachusetts 02459.
10 SoftBank's business address is 1-9-1 Higashi-Shimbashi, Minato-ku, Tokyo 105-7303
11 Japan.

12 b. The Business Purposes for the Reorganization: The business purposes
13 for the Transaction have been described previously in this Application.

14 c. The Proposed Method of Financing the Holding Company and the
15 Resultant Capital Structure: The proposed method of financing the holding company and
16 the resultant capital structure have been described previously in this Application.

17 d. Effect on the Capital Structure of the Arizona Utilities: The current
18 capital structure of Sprint's Arizona Operating Affiliates will be unaffected by the
19 Transaction.

20 e. Organization Chart: Pre- and post-Transaction organization charts for
21 Sprint are attached as Exhibit A.

22 f. Allocation of Taxes: Federal and State income tax allocations among
23 Sprint and its subsidiaries are consistent with the provisions of Treasury Regulation
24 Sections 1.1552-1(a)(3)(ii) and 1.1502-33(d)(2). The Transaction will not affect any
25 change in Sprint's current and historic method of income tax allocation among it and its
26 Arizona Operating Affiliates.

1 g. Changes in Cost of Service/Cost of Capital: The Transaction will have
2 no impact on the cost of service or the cost of capital of Sprint's Arizona Operating
3 Affiliates. The Transaction will substantially improve Sprint's access to capital at
4 favorable rates, which, in turn will positively impact Sprint's ability to raise necessary
5 capital and to maintain a reasonable capital structure. This will benefit all of Sprint's
6 subsidiaries in Arizona.

7 h. Diversification Plans of Affiliates: Sprint has no current plans for its
8 Arizona Operating Affiliates to diversify beyond the business in which they are currently
9 engaged.

10 i. Documents and Filings: An approval filing was submitted to the FCC
11 on November 15, 2012, a copy of which can be found at
12 <http://assets.fiercemarkets.com/public/newsletter/fiercewireless/sprintsoftbank.pdf>. In
13 addition, Sprint will file with the Committee on Foreign Investment in the United States,
14 an inter-agency committee that includes the Federal Bureau of Investigation, the
15 Department of Justice, the Department of State and the Department of Homeland
16 Security. The Transaction is also subject to notification to and/or review by other
17 governmental agencies, including review by the Department of Justice and/or the Federal
18 Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of
19 1976, 15 U.S.C. § 18(a), and the rules promulgated thereunder, state public utility
20 commissions, and certain foreign countries..

21 j. Investment in Affiliates: The Transaction will not affect investment in
22 Sprint's Arizona Operating Affiliates.

23 k. Access to Capital: Sprint's Arizona Operating Affiliates will be able to
24 attract capital on terms no less favorable than prior to the Transaction. Adequate capital
25 will continue to be available for construction of any necessary new utility plant and
26 necessary improvements at no greater cost than today.

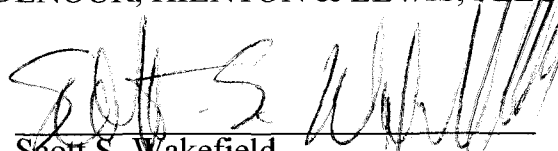
1 **VIII. RELIEF REQUESTED**

2 WHEREFORE, for the reasons set forth herein, Sprint Communications hereby
3 requests for itself, and its other Arizona operating affiliates including Virgin Mobile,
4 SoftBank and Starburst II, an order from the Commission that grants a waiver under
5 A.A.C. R14-2-806 with respect to the Transaction. Alternatively, they request that the
6 Commission approve the Transaction under A.A.C. R14-2-803 without a hearing.

7 RESPECTFULLY SUBMITTED this 27th day of November, 2012.

8
9 RIDENOUR, HIENTON & LEWIS, PLLC

10
11 By


Scott S. Wakefield
201 N. Central Ave., Suite 3300
Phoenix, Arizona 85004

12
13
14 ORIGINAL and 13 copies filed
15 this 27th day of November, 2012, with:

16 Docket Control
17 Arizona Corporation Commission
18 1200 W. Washington Street
19 Phoenix, AZ 85007

20 COPIES of the foregoing mailed
21 this 27th day of November, 2012 to:

22 Steve M. Olea, Director
23 Utilities Division
24 1200 W. Washington Street
25 Phoenix, Arizona 85007

26 Janice Alward, Chief Counsel
 Legal Division
 ARIZONA CORP. COMMISSION
 1200 W. Washington Street
 Phoenix, Arizona 85007



EXHIBIT A

DIAGRAM 1

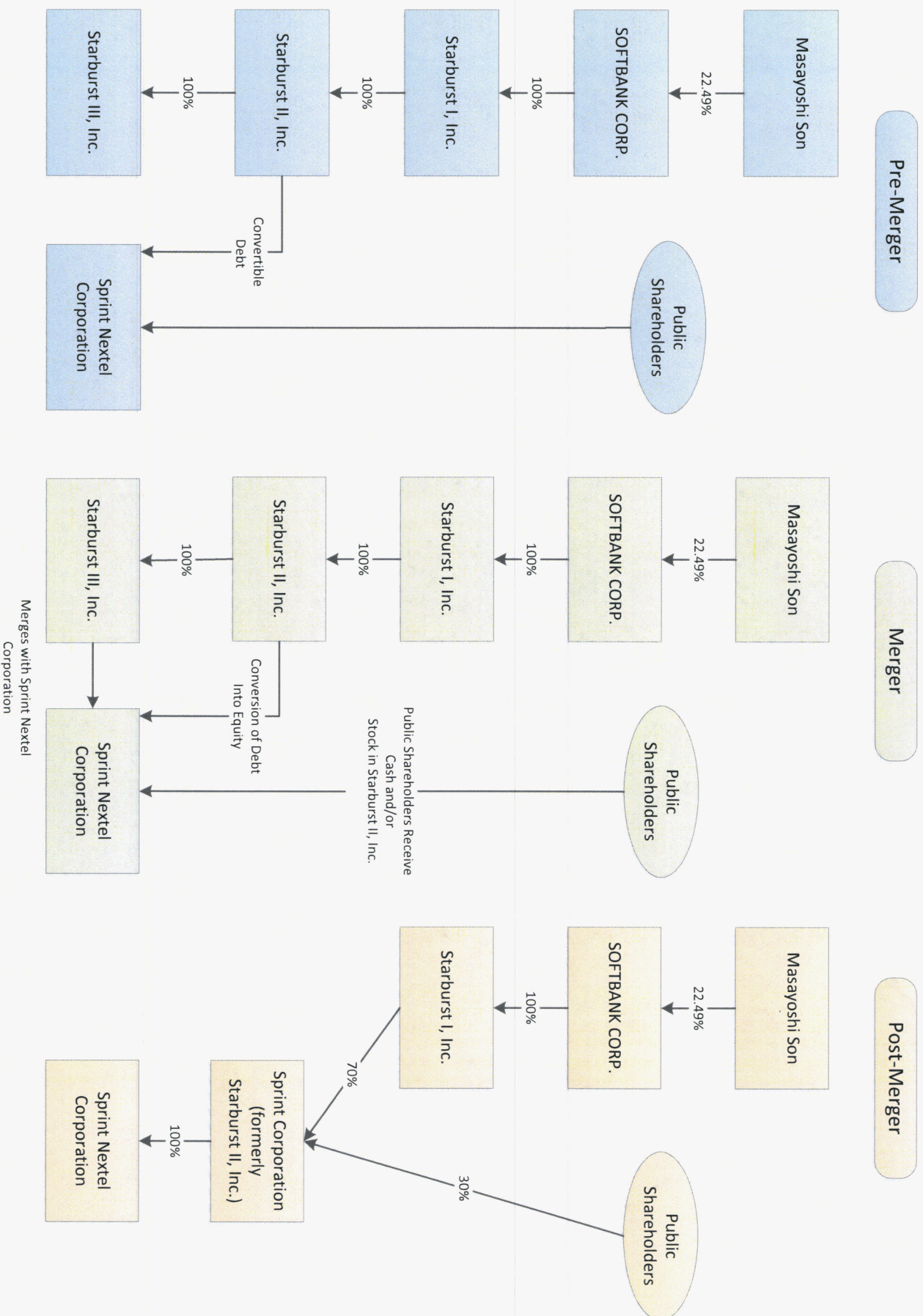
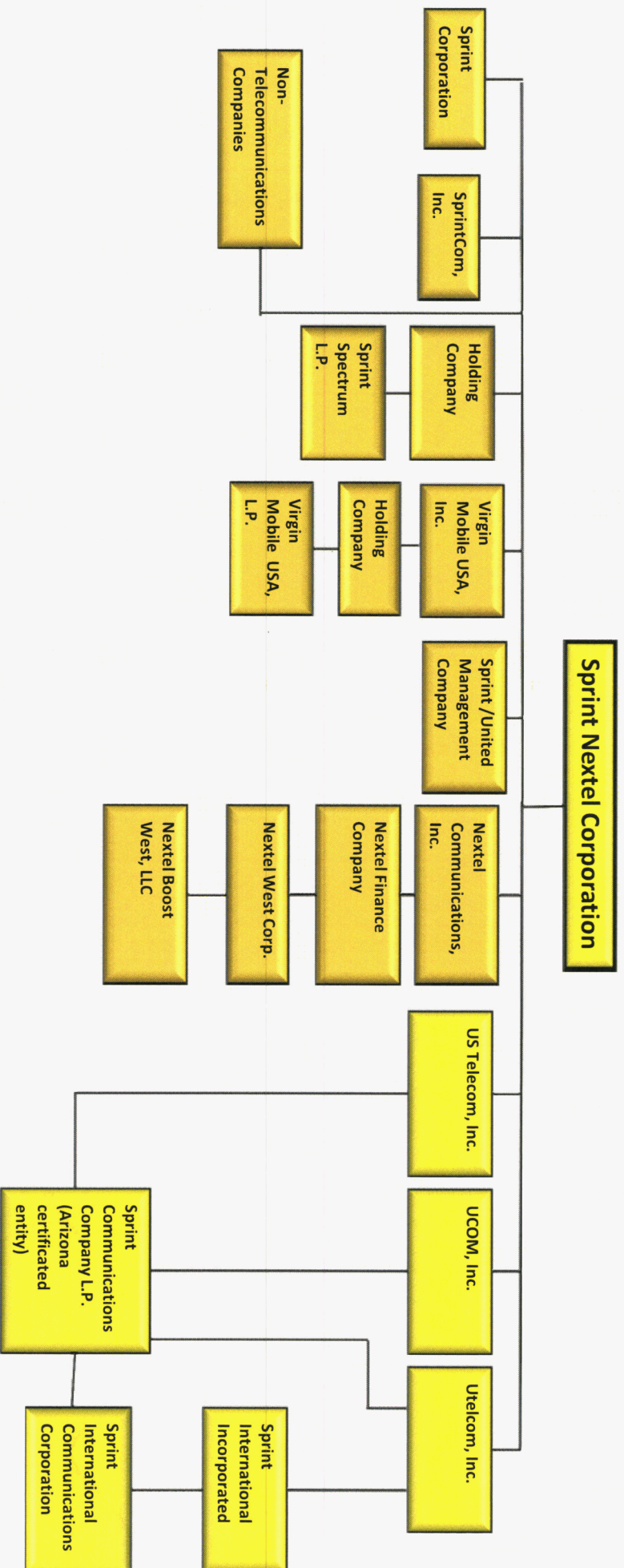


DIAGRAM 2



Note: The entities on this page are either directly or indirectly owned by Sprint Nextel Corporation and are illustrated at a high level for the purposes of this filing. All ownership percentages and subsidiaries can be found at <http://www.sec.gov/Archives/edgar/data/10>

EXHIBIT B

Proposed Directors and Officers

Starburst II, Inc.

Ronald D. Fisher, Director and President
Steven J. Murray, Director, Treasurer and Secretary

SOFTBANK CORP.

Board of Directors: Masayoshi Son, Chairman
Ken Miyauchi
Kazuhiko Kasai
Ronald D. Fisher
Yun Ma
Tadashi Yanai
Mark Schwartz
Sunil Bharti Mittal

Officers: Masayoshi Son, CEO
Yoshimitsu Goto, Executive Corporate Officer, Finance
Fumihiro Aono, Corporate Officer, Human Resources
Masato Suzaki, Corporate Officer, Legal
Kazuko Kimiwada, Corporate Officer, Accounting & Internal
Control

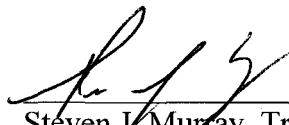
STATE OF Massachusetts)
) ss.
COUNTY OF Middlesex)

VERIFICATION


I, Steven J. Murray, state that I am Treasurer and Secretary, Starburst II, Inc., and that I am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to those matters to which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

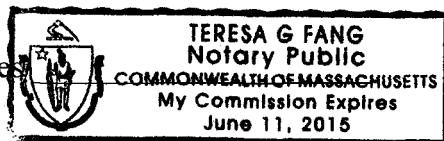
Dated: November 26, 2012, at Newton, Massachusetts


Steven J. Murray, Treasurer and Secretary

The foregoing instrument was subscribed and sworn to before me this 26th day of November, 2012.


Notary Public

My commission expires



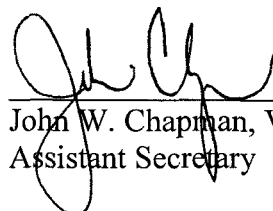
STATE OF KANSAS)
) ss.
COUNTY OF JOHNSON)

VERIFICATION

I, John W. Chapman, state that I am Vice President and Assistant Secretary of Sprint Communications Company L.P. and that I am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to those matters to which are therein stated on information and belief, and as to those matters, I believe them to be true.

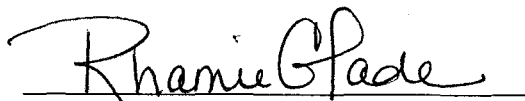
I declare under penalty of perjury that the foregoing is true and correct.

Dated: November 26, 2012, at Overland Park Kansas.



John W. Chapman, Vice President and
Assistant Secretary

The foregoing instrument was subscribed and sworn to before me this 26 day of
November, 2012.


Notary Public

My commission expires 9-12-16